



Department of Vermont Health Access

Agency of Human Services

Department of Vermont Health Access Pharmacy Benefit Management Program Provider Manual 2015



Table of Contents

Contents

| | |
|--|----|
| Introduction..... | 1 |
| Help Desk Telephone Numbers | 2 |
| Drug Coverage | 3 |
| Section II - Program Designs - 2015..... | 4 |
| DVHA Pharmacy Programs for Members Eligible for Medicare | 5 |
| DVHA Pharmacy Programs for Members Eligible for Medicare (Continued) | 6 |
| DVHA Over-The-Counter (OTC) Pharmacy Coverage | 7 |
| Custom Program Messaging: | 8 |
| Non-Covered Drugs: | 9 |
| Over-the-Counter Drugs: | 10 |
| DME Products:..... | 11 |
| Vaccines and Vaccine Administration:..... | 12 |
| Prior Authorization | 13 |
| Emergency 72-Hour Fill | 14 |
| Long-Term Care (LTC) Nursing Home Claims | 15 |
| Special Claims | 16 |
| Limited Distribution Drugs..... | 17 |
| Paper Claims..... | 17 |
| Specialty Pharmacy..... | 18 |
| Prospective Drug Utilization Review (ProDUR)..... | 19 |
| ProDUR Support..... | 21 |
| Dispensing Limits and Days Supply:..... | 22 |
| Quantity Limits: | 23 |
| Provider Dispensing Fees | 24 |
| Recipient Payment Information (Copayments) | 25 |
| Coordination of Benefits..... | 27 |
| Other Payer Coverage Code (NCPDP Field #308-C8): Required on all secondary claims. ... | 27 |
| VTPARTD (previously VTD) – COB 2 | 29 |

| | |
|---|----|
| CMS Excluded Drugs, OTC Drugs, Diabetic Supplies..... | 30 |
| General Information and Guideline | 32 |
| Medicare Part B, C and D | 33 |
| <i>Medicare/Medicaid Eligibles without a Part D Plan:</i> | 34 |
| Point-of-Sale Facilitated Enrollment (POS FE) Process & Limited Income..... | 34 |
| PCN: 05440000..... | 34 |
| ID Number: Medicare HIC Number | 35 |
| Payer Specifications..... | 36 |
| Provider Reimbursement | 37 |
| Secondary Claims (claims when other insurance is primary)*..... | 38 |
| Appendix A..... | 39 |
| Appendix B | 40 |

Introduction

Pharmacy claims for Vermont's publicly funded programs are processed by our pharmacy benefit management company Goold Health Systems (GHS).

This Provider Manual consists of a list of contacts, program-specific information, a list of informational resources and web links, and payer specifications. All of this material will be updated periodically as needed. For the most current version go to:

<http://dvha.vermont.gov/for-providers>

For Vermont's purposes, here and hereafter all references to Vermont Medicaid will mean all current publicly funded health assistance programs that include a drug benefit (Medicaid, Dr. Dynasaur, PC Plus, VPharm, Healthy Vermonters, and General Assistance and HIV/AIDS Medication Assistance).

Help Desk Telephone Numbers

| Responsibility | Help Desk | Phone Numbers | Availability |
|---|---|--|--|
| Recipient: | | | |
| Beneficiary | Vermont Member Services Unit | 800-250-8427 | M-F 8:00AM – 4:30PM (excluding holidays) |
| Provider: | | | |
| HP* | Provider Enrollment and Payment | 800-925-1706 (in state) 802-878-7871 (out of state) | M-F 8:00AM – 5:00PM |
| GHS | Pharmacy Help Desk / Claims-related Pharmacy Help Desk | 844-679-5362 | 24/7/365 |
| GHS | Clinical Help Desk /Prior Authorizations | Phone: 844-679-5363 Fax: 844-679-5366 | 24/7/365 |
| Mary Pierce VMAP Coordinator Vermont Department of Health | Prior Authorization (Designated drugs on the HIV/AIDS Medication Assistance Program list only) | 802-527-5576 (phone) | M-F 8:00AM – 4:30PM (excluding holidays) |

*HP will continue to handle provider enrollments and process and distribute pharmacy provider reimbursements and remittance advices (RAs).

Important Addresses

| | |
|--|---|
| <u>Provider Paper Claims Billing Address:</u> Goold Health Systems, Inc 1 Green Tree Lane South Burlington, VT 05403 | <u>Notes:</u> Format: Universal Claim Form (UCF) |
|--|---|

| |
|---|
| <u>GHS/Department of Vermont Health Access (DVHA) Operations</u> 312 Hurricane Lane, Suite 201 Williston, VT 05495 |
|---|

Drug Coverage

General coverage rules are as follows:

Medicaid as a unique program covers most prescription drugs with the exceptions found here. General coverage conditions under Medicaid pharmacy and the pharmacy only programs can be found here.

Section II - Program Designs - 2015

Some DVHA programs include full health insurance coverage. All include a pharmacy benefit. These programs include:

DVHA Pharmacy Programs

| Plan | Benefit | Potential Beneficiaries | Income Limit | Resource Limit | Monthly Premium | Beneficiary Copayment | Coinsurance |
|--|--|---|--|--------------------------|--|--|-------------|
| Vermont Medicaid / Dr. Dynasaur (Covers inpatient and outpatient health care and pharmacy) | Medicaid Covered Drugs, select OTC's and certain Diabetic Supplies | Medicaid: Aged / disabled, children, parents or caretakers of children. Dr. Dynasaur: income eligible, under age 18 and pregnant women | Dr. Dynasaur: up to 312% of FPL Pregnant Vermonters with incomes lower than 208% FPL are covered under Dr. Dynasaur | Applies only to Medicaid | Medicaid: None Dr. Dynasaur: \$0 - \$60 | Medicaid: \$1, \$2 and \$3, depending on cost of drug. Dr. Dynasaur: no copayments. In addition, beneficiaries through age 20, nursing home residents and pregnant woman are excluded from paying copayments. | None |
| Healthy Vermonters (A pharmacy-benefit only program) | Beneficiary pays the state's rate for Medicaid covered drugs, select OTC's and certain Diabetic Supplies | Aged / disabled and others with no pharmacy coverage or coverage with an annual limit that has been met | Aged or disabled: up to 400% of the FPL; others: up to 350% of the FPL | None | None at this time | Beneficiary pays the state's rate for drugs | None |

DVHA Pharmacy Programs for Members Eligible for Medicare

| Plan | Benefit | Potential Beneficiaries | Income Limit | Monthly Premium | Beneficiary Copayment/Coinsurance |
|--|--|--|--|--|---|
| Full-Benefit Duals | Coverage of defined drugs in classes that are excluded from Medicare Part D coverage. (Note: Full-benefit duals do not have a PDP deductible, donut hole or coinsurance.) | Aged or disabled with Medicare Part D pharmacy coverage and/or creditable coverage. Resource limit applies. | | None | Copayments of up to \$6.60 apply to Part D plan coverage; Copayments of \$1, \$2 and \$3, depending on cost of drug, apply to Medicare Part D excluded drugs. In addition, beneficiaries through age 20, nursing home residents and pregnant woman are excluded from paying copayments on the drugs excluded from Part D coverage. |
| 100% LIS-eligible VPharm Members (can be VPharm 1, 2 or 3) | 1) PDP copayments of no greater than \$6.60 should be billed to VPharm. Claims greater than this amount will be rejected. 2) Coverage of defined drugs in classes that are excluded from Medicare Part D coverage. (Note: 100% LIS-eligible VPharm members do not have a PDP deductible or coinsurance.) | Aged or disabled with Medicare Part D pharmacy coverage. Requires that Medicare has deemed members eligible for subsidy. | See below: Members can fall into any of the FPL categories listed below for VPharm members. | \$15/\$20/\$50 depending on VPharm plan. | Part D copayment of \leq \$6.60 should be billed to VPharm. Patient is responsible for \$1 or \$2 of the Part D copayment, depending on the cost of the drug. |
| VPharm 1 | 1) Payment of the PDP premium not covered by the Low Income Subsidy (LIS) and cost-sharing for drugs covered by beneficiary's PDP and not covered by the LIS (copayment, deductible, and coinsurance), and 2) coverage of defined drugs in classes that are excluded from Medicare Part D coverage. | Aged or disabled with Medicare D pharmacy coverage. No resource limit. | \leq 150% of the FPL | \$15 per person | Part D copayment/coinsurance should be billed to VPharm. Patient is responsible for \$1 or \$2 of the Part D copayment, depending on the cost of the drug. |
| VPharm 2 | 1) Payment of the PDP premium and cost-sharing for maintenance drugs covered by beneficiary's PDP (copayment, deductible and coinsurance, and 2) coverage of defined maintenance drugs in classes that are excluded from Medicare Part D coverage. | Aged or disabled with Medicare D pharmacy coverage. No resource limit. | $>150\%$ but $\leq 175\%$ of the FPL | \$20 per person | Part D copayment/coinsurance for maintenance drugs should be billed to VPharm. Patient is responsible for \$1 or \$2 of the Part D copayment, depending on the cost of the drug. |

DVHA Pharmacy Programs for Members Eligible for Medicare (Continued)

| Plan | Benefit | Potential Beneficiaries | Income Limit | Monthly Premium | Beneficiary Copayment/Coinsurance |
|---|--|---|--|-------------------|--|
| VPharm 3 | 1) Payment of the PDP premium and cost-sharing for maintenance drugs covered by a beneficiary's PDP (copayment, deductible, coinsurance and "donut hole"), and 2) coverage of defined maintenance drugs, primarily OTC's, in classes excluded from Medicare Part D coverage. | Aged or disabled with Medicare D pharmacy coverage. No resource limit. | >175% but <= 225% of the FPL | \$50 per person | Part D copayment/coinsurance for maintenance drugs should be billed to VPharm. Patient is responsible for \$1 or \$2 of the Part D copayment, depending on the cost of the drug. |
| Healthy Vermonters with Medicare Part D Coverage | Beneficiary pays the state's rate for drugs in classes that are excluded from Medicare Part D coverage. | Aged, disabled with no pharmacy coverage other than Medicare Part D, or coverage with an annual limit that has been met. No resource limit. | Aged or disabled: up to 400% of the FPL; others up to 350% | None at this time | Beneficiary pays the state's rate for drugs |

Note: Effective August 1, 2009, DVHA will only cover the cost-sharing (deductible, donut hole and coinsurance) for select statins (HMG COA reductase inhibitors) and proton pump inhibitors (PPIs) for VPharm Part D-eligible beneficiaries. • Statins – all dosage strengths of simvastatin, lovastatin and pravastatin. • PPIs – omeprazole and pantoprazole generic RX 20 mg and 40 mg • Most of the drugs no longer covered by VPharm under this pilot do not require prior authorization (PA) from the Part D Plans. However, if a beneficiary obtains a PA from his/her Part D Plan, the drug will continue to be covered by VPharm. • A VPharm coverage exception may be possible for a non-covered drug but only when a prescriber can provide, through the DVHA exception process, a detailed explanation regarding drugs that were either found to be ineffective or resulted in adverse or harmful side effects, or were expected to be ineffective or result in harmful or adverse side effects.

DVHA Over-The-Counter (OTC) Pharmacy Coverage

| Vermont Medicaid, Dr. Dynasaur (Medicaid by 1115 Waiver), State Children's Health Insurance Program (SCHIP) | <ol style="list-style-type: none"> 1. Manufacturer rebate required. 2. OTC coverage requires a prescription, and the drug must be part of the medical treatment for a specific current health problem. 3. Prior authorization and other limitations of the Preferred Drug list (PDL) may apply. 4. Coverage is limited to generic drug formulations except as specified in the PDL |
|---|---|
| VPharm 1 (100% State funded for deductible, coverage gap, coinsurance and copayments) | <ol style="list-style-type: none"> 1. Manufacturer rebate required. 2. OTC coverage limited to those drugs that are not covered by PDP. A prescription is required, and the drug must be part of the medical treatment for a specific current health problem. There is no coverage for OTC proton pump inhibitors. 3. Prior authorization and other limitations of the Preferred Drug list (PDL) may apply. 4. Coverage is limited to generic drug formulations except as specified in the PDL |
| VPharm 2 & 3 (100% State funded for deductible, coverage gap coinsurance and copayments) | <ol style="list-style-type: none"> 1. Maintenance drug coverage only. 2. Manufacturer rebate required. 3. OTC coverage limited to diabetic supplies, loratadine, cetirizine and non-steroidal anti-inflammatory analgesics (NSAIDS) when not covered by PDP. A prescription is required, and the drug must be part of the medical treatment for a specific current health problem. 4. Prior authorization and other limitations of the Preferred Drug list (PDL) may apply. 5. Coverage is limited to generic drug formulations. |

Custom Program Messaging:

In an effort to help pharmacies better understand a beneficiary's program eligibility and drug coverage, custom messages have been added to the claim processing responses. Messages will appear regardless of how the claim processes (i.e., pays or rejects) and will appear after specific messaging that refers to the cause of a reject.

Non-Covered Drugs:

The following drugs/drug classes are not covered through the pharmacy benefit:

1. DESI drugs
2. Experimental drugs
3. Fertility agents
4. Drugs to treat erectile dysfunction
5. Weight loss drugs
6. Some OTC's (primarily brands)
7. Bulk Powders used in compounding (see page 12)

Over-the-Counter Drugs:

OTC drugs are covered when medically necessary, prescribed by a qualified Medicaid provider, and a federal rebate agreement with the manufacturer is in force. Covered OTCs are limited primarily to generics, without the option of prior authorization for brand products. A list of covered OTC medication categories is published at <http://dvha.vermont.gov/for-providers>. A beneficiary's benefit plan may limit OTC coverage further: See DVHA's Program Coverage document at <http://dvha.vermont.gov/for providers>.

Some supplies may be submitted through POS (e.g., diabetic supplies and family planning supplies). The supply must have a corresponding NDC.

Nutritional supplements (liquid nutritionals): Nutritional supplements may be submitted POS but do require Prior Authorization. Refer to the specific prior authorization form for Nutritional Supplements.

DME Products:

Claims for most DME supplies should be submitted to DVHA on a DVHA's DME prior authorization form, which can be found at <http://dvha.vermont.gov/for-providers/mnf-revised-09-14.pdf>. These DME products are reviewed by the DVHA Clinical Operations Unit and should be faxed to 802-879-5963. Exceptions are lancets, test strips, syringes, and spacers, which can be submitted through the pharmacy benefit. A complete list of preferred diabetic supplies can be found on the DVHA website at: <http://dvha.vermont.gov/for-providers/vermont-dvha-2015-preferred-diabetic-supply-listing.pdf>

Diapers are covered through the DVHA Medical Benefit. PA is required when the request is for 300 or more units (a combination of chucks, pad and diapers). The prior authorization form can be found at <http://dvha.vermont.gov/for-providers/incontinence-supplies-060914-clean.pdf>. Diaper requests should also be faxed to (802) 879-5963.

Rebate Requirements:

Drug coverage is contingent upon CMS rebate agreements with the manufacturers. The VPharm program (Part D “wrap” coverage) is a qualified State Pharmaceutical Assistance Program (SPAP). Vermont statute requires that manufacturers pay pro-rated SPAP rebates that are at least as favorable as the CMS rebates paid to the state for its Medicaid program.

Vaccines and Vaccine Administration:

1. Influenza Vaccines

DVHA-enrolled pharmacies may be reimbursed for specific injectable influenza vaccinations administered by pharmacists to adults 19 years and older that are enrolled in Vermont's publicly funded programs. Pharmacists must be certified to administer vaccines in the state of Vermont and must be in compliance with all Vermont laws governing vaccine administration.

Children age 0 through 18 years presenting for flu vaccination at pharmacies should be referred to their health care provider for State-supplied vaccine.

Reimbursement and billing: Pharmacies are reimbursed for the ingredient cost of the flu vaccine as well as the administration fee.

Vaccine administration fee current total amount is \$20.35.

The same Administration Fee is applied to In-State and Out-of-State pharmacies.

Through the pharmacy POS system the pharmacy must submit:

The code "MA" in the Professional Service Code field and the Administration Fee amount for the influenza vaccine claims tagged with 'FLU', in order to receive full reimbursement.

There will be NO member co-pay for all influenza vaccines.

Required NCPDP Fields:

| <u>NCPDP Field Number</u> | <u>NCPDP Field Description</u> | <u>Required Code</u> |
|---------------------------|--------------------------------|----------------------|
| 440-E5 | Professional Service Code | MA |
| 407-D7 | Product/Service ID | NDC for Flu Vaccine |
| 438-E3 | Incentive Amount Submitted | \$20.35 |

2. Other Vaccines

The member needs to be 19 or older for the vaccine claims to process. Vaccine claims for members under 19 years old will reject: 70 - 'PRODUCT SERVICE NOT COVERED Member age less than 19.'

Prior Authorization

Prior authorization may be required for all programs except General Assistance and Healthy Vermonters.

All drugs and supplies requiring prior authorization can be identified on the Preferred Drug List. The List and Criteria for prior authorization can be found at:

<http://dvha.vermont.gov/for-providers/preferred-drug-list-clinical-criteria>

All prior authorizations must be faxed to the number below.

| Responsibility | Help Desk | Fax Numbers | Availability |
|-----------------------|--|--------------------|---------------------|
| GHS | Clinical Help Desk /Prior Authorizations | 844-679-5366 | 24/7/365 |

For updates on the status of a requested PA, you can call 1-844-679-5363.

Emergency 72-Hour Fill

An emergency fill provision can be instituted by GHS when a required prior authorization has not been secured, and the need to fill the prescription is determined to be an emergency. **If the prescriber cannot be reached to obtain the required prior authorization, the pharmacist may dispense an emergency supply to last up to 72 hours.**

- The pharmacy should send in PA Type Code (461-EU) = 2 and PA# (462-EV) = 72 on the claim, in which case an emergency 72-hour fill is allowed.
- Limit emergency fill to 1 per member/per drug for each calendar month.
- If the emergency persists, additional emergency overrides can be done by the GHS HelpDesk.
- Dispensing Fee applies to Emergency Fills
- 'Lost and stolen' is different from Emergency Fill. See “Refill Too Soon” on page __ for details.

General Assistance

Beneficiaries may be enrolled in General Assistance in one of two ways:

- General Assistance only; i.e., there is no other “primary” Medicaid coverage; *or*
- General Assistance as secondary coverage with another Medicaid program as primary.

Coverage is limited to classes of drugs identified as likely to create an emergency if not covered.

Generic Substitution Policy

Vermont law requires that when available, the equivalent generic product should be dispensed. The Preferred Drug List may require a brand to be dispensed in lieu of a generic in limited circumstances when net cost to the state is lower than the generic.

Statins and Proton Pump Inhibitors (PPIs) - VPharm

DVHA will only cover the cost-sharing (deductible, donut hole and coinsurance) for select statins (HMG COA reductase inhibitors) and proton pump inhibitors (PPIs) for **VPharm Part D-eligible beneficiaries**.

- Statins – all dosage strengths of simvastatin, lovastatin and pravastatin.
- PPIs – omeprazole RX 10 mg, 20 mg and 40mg
- If a beneficiary obtained a prior authorization from their Part D Plan for a statin or PPI not on the list above, the drug will be covered by VPharm through the VPharm PA process.
- If no Medicare Part D prior authorization is in place, a VPharm coverage exception may be possible for a non-covered drug but only when a prescriber can detail the conditions that make it strictly medically necessary and/or provide evidence that the VPharm covered drugs are harmful.

Long-Term Care (LTC) Nursing Home Claims

LTC nursing home claims are identified by a value of “03” in the PATIENT RESIDENCE field on the claim.

The following rules will apply when a LTC claim for Medicaid members is submitted for processing in the pharmacy POS system. It is the LTC eligibility that drives the co-pay responsibility for members.

1. If the member has a valid LTC segment in eligibility and the pharmacy sends the patient residence code of 03 the claim will pay without a co-pay.
2. If the member has a valid LTC segment in eligibility and the pharmacy does NOT send a patient residence code of 03 the claim will pay without a co-pay,
3. If the member does NOT have a valid LTC segment in eligibility and the pharmacy sends a residence code of 03, the claim will pay with a co-pay.

Most over-the-counter drugs and supplies are not covered for LTC nursing home patients through POS as they are covered in the patient’s per-diem.

Providers submitting LTC claims are limited to one dispensing fee per patient per covered drug per month (“per month” will be considered 75% of a 34-day supply; this allows the provider a limit of one dispense fee per every 25 days). “Per covered drug” will be considered “per GPI” (*Definition:* A GPI, or Generic Product Indicator, includes all drugs sharing the same chemical composition, in the same strength, in the same form and that are administered via the same route.) Providers may request an override to the single dispensing fee limit for mitigating circumstances by contacting the Pharmacy Help Desk at 844-679-5362. Acceptable circumstances for overriding the single dispense fee limit are:

- The physician has increased the dose.
- The medication did not last for the intended days supply.
- The drug has been compromised by accident (e.g., contaminated or destroyed).
- The medication is being dispensed due to the patient’s LOA (leave of absence) from the institution.

Except for controlled substances, unused or modified unit dose medication that are in reusable condition and which may be returned to a pharmacy pursuant to state laws, rules or regulations, shall be returned from LTC facilities to the provider pharmacy. The provider should void or resubmit the claim with the appropriate quantity dispensed.

Special Claims

Multi-Ingredient Compound Claims

- Ingredients will be priced at the lesser of AWP – 14.2%, MAC, FUL, or U&C.
- The ingredients' costs will be totaled and priced at the lesser of the calculated cost or the claim's U&C cost.
- Containers other than syringes are included in the dispensing fee.
- Syringes must be billed as part of the compounded claim. They are not subject to a separate dispensing fee or compounding fee.
- A dispensing fee of \$19.75 for in-state pharmacies and \$17.50 for out-of-state pharmacies will be automatically added to all prescriptions submitted with a compound indicator of "2."
- All compounds must contain **more than one ingredient**. Compounds submitted with only one ingredient will reject with a reject code of 76 with local messaging of "Minimum ingredients of 2."
 - **Compound indicator must be "2"** (indicating a multi-ingredient compound).
- **NDC field in claim segment (i.e. Product/Service ID)** (not individual ingredients) must contain **11 zeros**. If an actual individual NDC is submitted in the Product/Service ID, the claim will reject with a reject code of 70 with local messaging of "Submit 11 zeros in the Product/Service ID and complete compound detail – more than 1 ingredient required."
- **Bulk powders/chemicals/products used in prescription compounding are not covered under the pharmacy benefit program.** CMS has clarified that bulk products are not considered covered outpatient drugs because they are not prescription drug products approved under Section 505, 505(j), or 507 of the Federal Food Drug and Cosmetic Act. Pharmacies must utilize other non-bulk, FDA-approved products for the claim to be covered (for example, tablets or capsules). Pharmacies should ask their wholesalers whether products are listed by First Data Bank with a "HIC3" of "U6W," or by MediSpan as 3rd Party Restriction of "B," each of which are designations of "Bulk Chemicals."
- Bulk powders used to compound products for the **prevention of pre-term labor** will continue to be covered after Prior Authorization in certain situations.
- **Oral Vehicles for Multi-Ingredient Compounded Prescriptions.** DVHA can reimburse you for the following oral vehicles used in compounded prescriptions.

| <u>Product ID</u> | <u>Type</u> | <u>Mfg</u> | <u>Label Name</u> |
|-------------------|-------------|------------|-------------------|
| 00574-0302-16 | NDC | PADDOCK | ORA-SWEET SF SYP |
| 00574-0303-16 | NDC | PADDOCK | ORA-PLUS LIQ |
| 00574-0304-16 | NDC | PADDOCK | ORA-SWEET SYP |

| | | | |
|---------------|-----|---------|--------------------|
| 00574-0311-16 | NDC | PADDOCK | ORA-BLEND SUS CT |
| 00574-0312-16 | NDC | PADDOCK | ORA-BLEND SF SUSCT |
| 00395-2662-16 | NDC | HUMCO | CHERRY SYP |
| 00395-2662-28 | NDC | HUMCO | CHERRY SYP |
| 00802-3959-28 | NDC | HUMCO | CHERRY SYP |

Submission Clarification Code 08. Multi-ingredient compound claims will reject if any of the ingredients used in the compound are from a manufacturer that does not offer federal rebate. *If the pharmacy is willing to only be reimbursed for the approvable products, the claim can be resubmitted with a submission clarification code 08.* Any questions about the submission of claims for compounded medications should be directed to the GHS Clinical Help Desk at 1-844-679-5363.

Limited Distribution Drugs

Limited Distribution (LD) drugs are specialty drugs that are restricted by the manufacturer to be dispensed only by a select number of specialty pharmacies. These LD drugs typically have special requirements for dosing, administration, or close patient and laboratory monitoring. Because of these special requirements, drug manufacturers sometimes choose to limit the distribution of their drugs to only one or a few select pharmacies or, as part of the drug approval process, the Food and Drug Administration (FDA) may recommend this type of distribution. This type of restricted distribution allows the manufacturer to properly control the inventory of the drug; educate the dispensing pharmacists about the monitoring required; and ensure any risks associated with the medication are minimized.

Drugs dispensed by limited distribution pharmacies are paid, as of 07/01/11, as follows:

(a) “Multiple Source” drugs are paid at the lowest of:

- AWP-16.5% + dispensing fee;
- CMS Federal Upper Limit (FUL) + dispensing fee;
- State Maximum Allowable Cost (MAC) + dispensing fee;
- Usual and Customary (U&C) (includes dispensing fee); [or]
- Ingredient Cost Submitted + dispensing fee.

(b) “Single-source” limited distribution drugs are paid at the lowest of:

AWP-16.5% + dispensing fee; Ingredient Cost Submitted + Dispensing Fee or Usual and Customary (U&C) (includes dispensing fee).

Paper Claims

- The Universal Claim Form (UCF) will be required for all paper claims.
- The UCF should be submitted to GHS for processing.

Goold Health Systems, Inc
1 Green Tree Lane
South Burlington, VT 05403

- UCFs may be obtained from Moore Document Solutions:
Moore Document Solutions
410 N. 44th Street, Suite 300
Phoenix, AZ 85008
800-635-9500

Specialty Pharmacy

The Department of Vermont Health Access (DVHA) has selected two specialty pharmacies to serve Medicaid beneficiaries (where Medicaid is the primary insurer).

- Wilcox Home Infusion is the specialty pharmacy for Synagis[®], which is administered to prevent respiratory syncytial virus (RSV).
- BriovaRx[™] is currently the specialty pharmacy for other select specialty drugs.

These include, but are not limited to:

- Crohn's/Ulcerative Colitis disease injectables (Humira, Cimzia)
- Cystic fibrosis medications (Kalydeco, Tobi[®] and Pulmozyme[®])
- Drugs used to treat rheumatoid arthritis, juvenile idiopathic arthritis, psoriatic arthritis, and ankylosing spondylitis. These include Humira (adalimumab), Enbrel (etanercept), Simponi subcutaneous, Cimzia[®], Kineret[®], Orencia[®] Subcutaneous, and Xeljanz) as well as Simponi Aria[®] (if obtained through Pharmacy POS).
- Hemophilia factors
- Hepatitis C (ribavirin, Olysio[®], Sovaldi[®], Harvoni[®], and pegylated interferon injectables)
- Growth hormones
- Multiple sclerosis self-injectables (Avonex[®], Betaseron[®], Copaxone[®], Extavia[®] and Rebif[®]) and certain orals (Aubagio[®], Gilenya[®], Tecfidera[®])
- Oral oncology drugs: Gleevec[®], Hexalen[®], Mesnex[®], Sprycel[®], Sutent[®], Tarceva[®], Temodar[®], Tretinoin, Vesanoid[®], Xeloda[®].
- Hereditary Angioedema Medications (select) (Firazyr)
- Psoriasis Injectables (Humira[®], Enbrel[®], and Stelara[®] (if obtained through Pharmacy POS)

Other drugs will be added to the specialty program periodically. Dispensing of these medications is limited to these pharmacies for Medicaid beneficiaries where Medicaid is the primary insurer.

Return to Stock

When a beneficiary or the beneficiary's representative fails to pick up a prescription, pharmacies must reverse the claim submitted to DVHA within fourteen (14) calendar days of the date the prescription is filled. The date of service (e.g. the date the prescription is filled) is considered day one. The pharmacy must retain a record of the reversal on file for audit purposes.

Record Retention

Pharmacy records (including prescriptions) must be retained by the pharmacy for seven (7) years at a minimum.

Prospective Drug Utilization Review (ProDUR)

ProDUR is an integral part of the Vermont Medicaid claims adjudication process. ProDUR includes: reviewing claims for therapeutic appropriateness before the medication is dispensed, reviewing the available medical history, focusing on those patients at the highest severity of risk for harmful outcome, and intervening and/or counseling when appropriate.

Prospective Drug Utilization Review (ProDUR) encompasses the detection, evaluation, and counseling components of pre-dispensing drug therapy screening. The ProDUR system addresses situations in which potential drug problems may exist. ProDUR performed prior to dispensing assists pharmacists in ensuring that patients receive appropriate medications. This is accomplished by providing information to the dispensing pharmacist that may not have been previously available.

Because ProDUR examines claims from all participating pharmacies, drugs which interact or are affected by previously dispensed medications can be detected. While the pharmacist uses his/her education and professional judgment in all aspects of dispensing, ProDUR is intended an informational tool to aid the pharmacist.

Therapeutic Problems

The following ProDUR Reason of Service types will deny for the Vermont Medicaid program:

- Drug-to-Drug Interaction (Highest Severity Levels)
- Therapeutic Duplication

ProDUR Edits that deny may be overridden at POS using the interactive NCPDP DUR override codes (see below).

DUR Override Processing (NCPDP Reject Code 88)

When a claim is rejected for a DUR edit, pharmacies may override the denial by submitting the appropriate Professional Service and Result of Service codes.

Below you will find a chart that details the Professional Service and Result of Service codes that will override a claim that has been denied for Drug-to-Drug Interaction and/or Therapeutic Duplication. Note that the designated Professional Service Code must accompany the appropriate Result of Service code as indicated in the chart to allow the override.

DUR REJECT OVERRIDE PROCESSING (NCPDP Reject Code 88)

The valid DUR Reason for Service Codes for Vermont Medicaid are:

DD - Drug-Drug Interaction
TD - Therapeutic Duplication

The only acceptable Professional Service Codes are:

MR – Medication Review
M0 – Prescriber Consulted
R0 – Pharmacist Consulted Other

Please note that the designated Professional Service Code must accompany the appropriate Result of Service code as indicated below to allow the override:

| DUR REASON FOR SERVICE (Conflict) | PROFESSIONAL SERVICE CODE (Intervention) | | RESULT OF SERVICE CODE (Outcome) | |
|--|---|----------------------|---|----------------------------------|
| DD, TD | CODE | DESCRIPTION | CODE | DESCRIPTION |
| | | | | |
| | MR | Medication review | 1B | Filled prescription as is |
| | M0 | Prescriber consulted | | |
| | R0 | Consulted other | | |
| | | | | |
| | M0 | Prescriber consulted | 1C | Filled with different dose |
| | R0 | Consulted other | | |
| | | | | |
| | MR | Medication review | 1D | Filled with different directions |
| | M0 | Prescriber consulted | | |
| | R0 | Consulted other | | |
| | | | | |
| | MR | Medication review | 3E | Therapy changed |
| | M0 | Prescriber consulted | | |
| | R0 | Consulted other | | |

Days Supply

Accurate days; supply reports are required on all claims. Submitting incorrect days' supply information in the days' supply field can cause false ProDUR messages or claim denial for that particular claim and/or for drug claims that are submitted in the future.

ProDUR Support

GHS' Help Desk is available 24 hours per day, seven days per week. The telephone number is 844-679-5362. Alert message information is available from the Help Desk after the message appears. If you need assistance with any alert or denial messages, it is important to contact the Help Desk about ProDUR messages at the time of dispensing. The Help Desk can provide claims information on all error messages which are sent by the ProDUR system. This information includes: NDCs and drug names of the affected drugs, dates of service, whether the calling pharmacy is the dispensing pharmacy of the conflicting drug, and days-supply.

The GHS Help Desk is not intended to be used as a clinical consulting service and cannot replace or supplement the professional judgment of the dispensing pharmacist. GHS has used reasonable care to accurately compile ProDUR information. Because each clinical situation is unique, this information is intended for pharmacists to use at their own discretion in the drug therapy management of their patients.

A second level of assistance is available if a provider's question requires a clinical response. To address these situations, GHS staff pharmacists are available for consultation.

ProDUR Alert/Error Messages

All messages appear in the claims adjudication transmission. See Payer Specifications for more information.

Timely Filing Limits

Most providers submitting point of sale submit their claims at the time of dispensing. However, there may be mitigating reasons that require a claim to be submitted after the fact.

- For all original claims, reversals and re-bills, the timely filing limit is **183 days** from the date of service (DOS).
- Claims that exceed the prescribed timely filing limit will deny.
- When appropriate, contact GHS for consideration of an override to timely filing limits.
- Requests for overrides will be considered for:
 1. Retroactive beneficiary eligibility
 2. COB delay
 3. Denial date (depending on original adjudication date)
 4. At the State's request
- Overrides for timely filing limits greater than two years from the date of service will not be authorized.

Requests for overrides should be mailed to:

Goold Health Systems
1 Green Tree Dr.
South Burlington, VT 05403

Call the GHS Help Desk with any questions at 844-679-5362

Dispensing Limits and Days Supply:

- Non-maintenance drugs (Definition: medications used on an “as needed” basis) are subject to a per claim days’ supply maximum limit of 34. There is no days supply minimum.
- "Maintenance drug" means a drug approved by the FDA for continuous use and prescribed to treat a chronic condition for a prolonged period of time of 30 days or longer, and includes insulin, an insulin syringe and an insulin needle.

Apart from the select drugs used for maintenance treatment described below, all other maintenance drugs must be prescribed and dispensed for not less than 30 days and not more than 90 days, to which one dispensing fee will be applied. Excluded from this requirement are medications which the beneficiary takes or uses on an “as needed” basis or generally used to treat acute conditions. If there are extenuating circumstances in an individual case which, in the judgment of the prescriber, dictate a shorter prescribing period for these drugs, the supply may be for less than 30 days as long as the prescriber prepares in sufficient written detail a justification for the shorter period. The extenuating circumstance must be related to the health and/or safety of the beneficiary and not for convenience reasons. It is the responsibility of the pharmacy to maintain in the beneficiary’s record the prescriber’s justification of extenuating circumstances. In these circumstances, regardless of whether or not extenuating circumstances permit more frequent dispensing, only one dispensing fee may be billed.

- *Mandatory 90 Days Supply Program:* Select drugs used for maintenance treatment must be prescribed and dispensed in no less than 90-days supply increments. The drug utilization review board makes recommendations to the Department on the drugs to be selected. This limit shall not apply to the first TWO fills (the original and one refill) of the medication in order to provide an opportunity for the beneficiary to try the medication and for the prescriber to determine that it is appropriate for the beneficiary’s medical needs. If there are extenuating circumstances in an individual case which, in the judgment of the physician, dictate a shorter prescribing period, an exception form that identifies the individual and the reason for the exception may be filed with the Department of Vermont Health Access.
- The first time a prescription is filled is referred to as the “initial fill” or “first fill,” while subsequent fills are referred to as “refills.” Up to five refills are permitted if allowed by federal or state pharmacy law.
- Claims will deny if the days’ supply limit is exceeded. Exceptions to standard days’ supply limits include:
 - Oral Contraceptives may be dispensed in a quantity not to exceed a 92-day supply.
 - Drugs provided to residents of a long-term care facility are not subject to the mandatory 90-day supply requirement. Residents of community care homes are not considered residents of long-term care facilities and therefore are subject to the 90-day refill requirement.
 - Requests for overrides should go to the GHS Clinical Help Desk 1-844-679-5363.

Quantity Limits:

All Quantity Limits are identified in the Preferred Drug List. The Preferred Drug List can be found at <http://dvha.vermont.gov/for-providers/preferred-drug-list-clinical-criteria>

Refills:

- All refills must be dispensed in accordance with State and Federal requirements.
- Refill prescriptions must be dispensed pursuant to the orders of the physician, but not more than one year from the date of the original prescription.
- Refills must not exceed 5 refills (plus one original).
- For DEA code = “3”, “4”, “5”: allow up to 5 refills (plus one original) or 6 months, whichever comes first.
- For DEA code = “2” no refills are allowed; a new prescription is required for each fill.

Early Refill Overrides (NCPDP Reject Code 79):

Claims will reject for refill requests when more than the percentage of the previous days’ supply still remains (see chart below). Pharmacies may request an override for claims that reject for early refill. To request an override, pharmacies must contact the Pharmacy Help Desk at 1-844-679-5362

| Proposed Days Supply | Proposed % of Days Supply Used |
|----------------------|--------------------------------|
| 1-4 | 50 |
| 5-13 | 75 |
| 14-39 | 85 |
| 10-60 | 90 |
| 61-102 | 92 |

Pharmacy Representatives should be prepared to provide the appropriate submission clarification code (reason) for the early refill request. See below:

Submission Clarification Code / Description

| | |
|-------------------------|--|
| 00/ not specified | Not acceptable for early refill override |
| 01/ no override | Not acceptable for early refill override |
| 02/ other override | Not acceptable for early refill override |
| 03/ vacation supply | Acceptable; use for vacations and LTC leave of absence |
| 04/ lost prescription | Acceptable |
| 05/ therapy | Acceptable; use when prescriber changes dose |
| 06/ starter dose | Not acceptable for early refill override |
| 07/ medically necessary | Not acceptable for early refill override |

Provider Dispensing Fees

- The dispensing fee for in-state pharmacies is \$4.75
- The dispensing fee for out-of-state pharmacies is \$2.50
- The dispensing fee for administering influenza (Flu) vaccine is \$20.35
- For compounded drugs:
 - The dispensing fee for in-state pharmacies is \$19.75
 - The dispensing fee for out-of-state pharmacies is \$17.50
- For drugs eligible under the 340B discount drug program:
 - The dispensing fee for all 340B pharmacies is \$15.00
 - The dispensing fee for 340B compounded drugs is \$30.00

More provider information about the 340B Program can be found in the 340B Medicaid Manual, which can be found at <http://www.vtmedicaid.com/Downloads/forms/340-B%20Medicaid%20Carve%20In%20Program%20-%20FINAL.pdf>

- Exceptions:
 - There is a limited dispensing fee for LTC claims; i.e. one per every 25 days per patient per covered drug (per GPI)
 - No dispensing fee for glucometers

Recipient Payment Information (Copayments)

Vermont publicly-funded drug benefit programs have no deductibles and no benefit maximums.

Traditional Medicaid:

When traditional Medicaid coverage is primary, copayments are:

- \$1 if allowed amount is equal to or less than \$29.99.
- \$2 if allowed amount is greater than or equal to \$30.00 but less than or equal to \$49.99.
- \$3 if allowed amount is equal to or greater than \$50.00.

Members with Medicare Part D Plans:

- 1) Full-Benefits Duals: Full-benefit dual eligible members (those who have both Medicaid and a Medicare Part D Plan) are responsible for copayments up to \$6.60 charged by the Part D Plan for 2015. If a member's Part D Plan is returning copayments greater than \$6.60, the member should call Green Mountain Care Member Services at 1-800-250-8427.
- 2) VPharm Members: For members who are enrolled in a VPharm Part D wrap program, Part D plan deductibles and coinsurance should be billed to VPharm.

There are two types of VPharm members: standard VPharm members and VPharm members with Low Income Subsidy (LIS). For members with LIS coverage, the Part D plan should return a maximum patient cost share of \$6.60. VPharm will wrap this LIS co-pay and leave the member with a \$1 or \$2 co-pay as described below.

For further clarification on how VPharm plans interact with Medicare Part D, see: <http://dvha.vermont.gov/for-providers/2012-coverage-grid.pdf>

| Population affected | Prescriptions with DVHA cost share of \$29.99 or less | Prescriptions with DVHA cost share of \$30.00 or more |
|--|--|--|
| VPharm 1, 2 and 3 beneficiaries: DVHA wraps copays from Part D Plan. | \$1.00 Co-pay | \$2.00 Co-pay |
| VPharm 1, 2 and 3 LIS beneficiaries: LIS at Level 1: DVHA wraps copays for Part D plans <u>from \$2.65 to \$6.60</u> . LIS at Level 2: DVHA wraps copays between <u>\$1.20 and \$3.60</u> . If a member's Part D Plan is returning copayments greater than \$6.60 for LIS members, the member should call Green Mountain Care Member Services at 1-800-250-8427 | \$1.00 Co-pay | \$2.00 Co-pay |

CoPay Exceptions (no copayments apply):

- Patient is 20 years old or younger (based on Eligibility File)
- Drug is a family planning drug
- Patient is pregnant or in the 60-day post-pregnancy period (requires a prior authorization obtained by calling GHS Clinical Help Desk at 1-844-679-5363)
- Claim is licensed nursing home (LTC) claim (requires Patient Location="03" on the claim-see section above on Long-Term Care Nursing Home Claims)
- Medical supplies
- Influenza (flu) vaccine

When Healthy Vermonter coverage applies, the beneficiary must pay the full allowed amount.

Note: A pharmacy may not refuse to dispense a prescription to a Medicaid beneficiary who does not provide the copayment. However, the beneficiary will still owe the pharmacy any copayment that is not paid.

Coordination of Benefits

The following provides information on submitting COB claims.

Claim segment and field requirements are detailed in the Consolidated Payer Specification Sheet.

Required information on a secondary claim may include:

- Submitted Patient Pay
- Other Coverage Code
- Other Payer Amount
- Other Payer Date
- Other Payer ID Qualifier
- Other Payer ID

The state-assigned Other Payer IDs can be found on the Active Payer and PDP Sponsor Lists found at <http://dvha.vermont.gov/for-providers>. These lists are:

- Insurance carriers / sponsors for COB claims filed under PCN Medicare Part D Plan
- Sponsors for COB claims filed under PCN

Providers may submit up to three segments of information when there are multiple other payers.

Other Payer Coverage Codes (OCC)

Please see the following two OCC billing instruction grids outlining the correct use of OCC codes when billing for members enrolled in Vermont's publicly funded pharmacy programs. The Other Payer Coverage Code indicates the type of coverage the other insurer is providing for the claim. (See charts below for possible scenarios and circumstances.)

Other Payer Coverage Code (NCPDP Field #308-C8): Required on all secondary claims.

1. VTPOP(previously VTM) – COB 3

VT applies COB 3 option for their Coordination of Benefits for VTPOP plans.

Vermont Medicaid is the payer of last resort after other insurers. The following provides information on submitting COB claims. Claim segment and field requirements are detailed in the VT Payer Sheet.

Required information on a secondary claim includes but is not limited to:

- Other Payer ID Qualifier (NCPDP Field #339-6C)
- Other Payer ID (NCPDP Field #339-7C)
- Other Payer Amount Paid Qualifier (NCPDP Field #342-HC): Required if OCC = 2; Use 07 – Drug Benefit.
- Other Payer Amount Paid (NCPDP Field #431-DV): Required on claims where the Other Coverage Code (OCC) = "2". The Other Payer Amount Paid is the dollar amount of the payment received from the primary payer(s).

- Other Payer-Patient Responsibility Amount Qualifier (NCPDP Field #351-NP): Required on claims where the Other Coverage Code (OCC) = “2” or “4”. Accept only 06 = Patient Pay Amount.
- Other Payer-Patient Responsibility Amount (NCPDP Field # 352-NQ): Payer Requirement: Required if Other Coverage Code is 2 or 4; Do not leave this field blank.
- Other Payer Date (NCPDP Field #443-E8): Required on all secondary claims. The Other Payer Date is the payment or denial date of the claim submitted to the other payer.
- Other Payer Reject Code (NCPDP Field #472-6E): The Other Payer Reject Code is required when the Other Coverage Code (OCC) = 3.

The following OCC codes **are not** appropriate for claims billed to VT Medicaid on a secondary basis.

| OCC/Description | Processing Policy Vermont Coverage Secondary to Alternate Insurance |
|--|---|
| 0 = Not Specified | Claim will reject |
| 1 = No other coverage identified | Claim will reject |
| 5 = Managed Care Plan denial | Claim will reject |
| 6 = Other coverage Denied, not a participating provider | Claim will reject |
| 7 = Other coverage exists-not in effect on DOS | Claim will reject |
| 8 = Co-pay Only | Claim will reject |

VTPARTD (previously VTD) – COB 2

VT applies COB 2 option for their Coordination of Benefits Part D plans. The following provides information on submitting COB claims. Claim segment and field requirements are detailed in VT Payer Sheet.

Required information on a secondary claim includes but is not limited to:

- Other Payer ID Qualifier (NCPDP Field #339-6C)
- Other Payer ID (NCPDP Field #339-7C)
- Other Payer-Patient Responsibility Amount Qualifier (NCPDP Field #351-NP): Required on claims where the Other Coverage Code (OCC) = “8”. Accept only 06 = Patient Pay Amount.
- Other Payer-Patient Responsibility Amount (NCPDP Field # 352-NQ): Payer Requirement: Required if Other Coverage Code = 8; Do not leave this field Blank
- Other Payer Date (NCPDP Field #443-E8): The Other Payer Date is the payment or denial date of the claim submitted to the other payer.
- Other Payer Reject Code (NCPDP Field #472-6E): The Other Payer Reject Code is required when the Other Coverage Code (OCC) = 3.

Other Payer Coverage Codes (OCC)

Please see the following two OCC billing instruction grids outlining the correct use of OCC codes when billing for member enrolled in **Vermont Part D plans**. The OCC indicates the type of coverage the other insurer is providing for the claim. (See charts below for possible scenarios and circumstances.) Other Payer Coverage Code (NCPDP Field #308-C8): Required on all secondary claims. The following OCC codes **are not** appropriate for secondary claims for VTPARTD:

| OCC/Description | Processing Policy Vermont Coverage Secondary to Medicare Part D Plan |
|--|--|
| 0 = Not Specified | Claim will reject |
| 1 = No other coverage identified | Claim will reject |
| 2 = Other coverage exists, payment collected from primary insurance. | Claim will reject |
| 4 = Other coverage exists, payment not collected from primary | Claim will reject |
| 5 = Managed Care Plan denial | Claim will reject |
| 6 = Other coverage Denied, not a participating provider | Claim will reject |
| 7 = Other coverage exists-not in effect on DOS | Claim will reject |

*The above rejections will produce reject error: NCPDP 13: M/I Other Coverage Code.

These OCC codes **are** appropriate for secondary claims for VTPARTD:

| OCCURRENCE | CORRECT OTHER COVERAGE CODE TO USE | Processing Policy Vermont Coverage Secondary to Medicare Part B and Part D |
|--|--|---|
| The primary insurance rejects the claim. | 3 = Other coverage exists, claim rejected by primary insurance | Claims submitted with an OCC = 3 will be subject to an edit to determine if drug class is Excluded from Part D coverage by CMS; if so, state will pay claim if all other state criteria are met. If product is not an Excluded Drug from CMS for Part D coverage, state will reject claim. Other Payer Reject Code is required (472-6E) OCC=3 does not apply to Medicare Part B. |
| Claim is billing for patient financial responsibility only | 8 = Co-pay Only | Requires COB Segment including Other Payer ID and Other Payer-Patient Responsibility Amount fields, and Benefit Stage Fields. Leaving these fields blank is not permitted as it will result in the State paying the claim incorrectly. These claims will be subject to recoupment. Benefit Stage Fields not required for Part B drugs. |

CMS Excluded Drugs, OTC Drugs, Diabetic Supplies

This would include drugs that Part D does not cover, such as cough and cold preps and OTCs. This also includes members who do not have Part B, but DVHA reimburses diabetic supplies not covered by Part D (example, lancets and strips).

| Member Benefit: | Process Control # | Other Coverage Code: | Additional Information: |
|--|-------------------|----------------------|---|
| Dual Eligible (Medicaid /Medicare eligible with MAPD/PDP) | VTPOP | OCC3 | Reject code from MAPD/PDP required |
| Creditable Coverage (Medicaid / Medicare eligible but no MAPD/PDP) | VTPOP | OCC3 | Reject code from primary insurance required |
| VPharm (Medicare eligible with MAPD/PDP) | VTPARTD | OCC3 | Reject code from MAPD/PDP required |

| FIELD # | FIELD NAME | PAYER SHEET INSTRUCTIONS |
|--|---|--|
| 423-DN | Basis of Cost Determination | GHS utilizes the NCPDP standard and will require 2 digits on the claim (example: '00'), claims with other than 2 digits will reject. |
| 2Ø1-B1 4Ø1-D1 4Ø2-D2 | Service Provider ID Date of Service Prescription/Service Reference Number | GHS does not allow duplicate prescription number and will validate a duplicate transaction by the combination of 201-B1, 401-D1 and 402-D2 |
| 335-2C | Pregnancy Indicator | GHS will allow pharmacies the option of sending the claim with the pregnancy indicator of 2 in the 335-2C payment segment. This can be used if the member is newly pregnant and their eligibility does not reflect this. |
| 42Ø-DK | Submission Clarification Code | Pharmacies will be able to send in Submission Clarification Code = 02 on Ebox claims for Long-Term Care members which will override the Reject 79 – Refill Too Soon error message. The Submission Clarification Code of 02 will not override 75 PA required message. The pharmacy will have to call for a special PA. |
| 461-EU 462-EV | PA Type Code PA Number | GHS will allow pharmacies to send in 461-E = 2 and 462-EV = 72 on the claim for an on-line override when it is necessary to allow an emergency 72 hour supply of a medication. This function is only allowed off hours when the Help Desk is not available. |
| 522-FM | Basis of Reimbursement Determination | Pricing logic considers submitted U&C, Gross Amount Due, Ingredient Cost Submitted and the State calculated rates including State MAC, and FUL. The processor will pay the lesser of logic for all prices considered. The maximum provider payment is set at \$99,999.99. Any claim exceeding this amount will reject. Contact the POS Helpdesk for a special PA if the claim amount is higher. |
| 341-HB 342-HC 431-DV 353-NR 351-NP 352-NQ | OTHER PAYER AMOUNT PAID COUNT OTHER PAYER AMOUNT PAID QUALIFIER OTHER PAYER AMOUNT PAID OTHER PAYER-PATIENT RESPONSIBILITY AMOUNT COUNT OTHER PAYER-PATIENT | VT POP (previously VTM) uses COB Scenario 3 - Other Payer Amount Paid, Other Payer-Patient Responsibility Amount |

| | | |
|----------------------------|--|---|
| | RESPONSIBILITY AMOUNT QUALIFIER OTHER PAYER-PATIENT RESPONSIBILITY AMOUNT | |
| 353-NR 351-NP 352-NQ | OTHER PAYER-PATIENT RESPONSIBILITY AMOUNT COUNT OTHER PAYER-PATIENT RESPONSIBILITY AMOUNT QUALIFIER OTHER PAYER-PATIENT RESPONSIBILITY AMOUNT | VT Part D (previously VTD) uses COB Scenario 2 - Other Payer-Patient Responsibility Amount Repetitions and Benefit Stage Repetitions Only |

GENERAL INFORMATION AND GUIDANCE

Transmissions

Refer to the NCPDP Telecommunication Standard Implementation Guide Version D. Ø for the structure and syntax of the transaction(s) within the transmission.

Segments

Each segment is listed as mandatory, situational, or optional for a given transaction in the NCPDP *Telecommunication Standard Implementation Guide*. If the segment is mandatory for a given transaction, that segment must be sent. If the segment is situational, the situations outlined in the guide must be followed for use.

GHS encourages providers to go to the website at www.ghsinc.com/payer-sheets to view all recent changes to the payer sheet.

Medicare Part B, C and D

Part B:

Vermont program coverage is always secondary to Medicare Part B Coverage. Medicare Part B coinsurance and deductible prescription drug claims with NDCs are processed by GHS.

Medicare Part B Covered Drugs:

- Oral Cancer Drugs
- Immunosuppressants
- Nebulizer Solutions
- Diabetic Supplies

To override the “Medicare as primary” requirement, pharmacies must first bill Medicare B, receive a denial, and then contact the GHS Help Desk at 1-844-679-5362. Pharmacies are no longer able to override at point of sale by entering 88888 in the other payer ID field.

Submission of Part B Secondary Claims (Member has Part B):

| <u>Member Benefit</u> | <u>Processor Control #</u> | <u>Other Coverage Code</u> | <u>Additional Information</u> |
|---|----------------------------|----------------------------|--------------------------------------|
| Dual Eligible (Medicaid Medicare eligible with MAPD/PDP) | VTPOP | OCC2, OCC4 | |
| Creditable Coverage (Medicaid/Medicare eligible but no MAPD/PDP) | VTPOP | OCC2, OCC4 | |
| VPharm (Medicare eligible with MAPD/PDP) | VTPARTD | OCC8 | No benefit stage qualifier needed |

Part D:

Effective January 1, 2006, Vermont beneficiaries who were also Medicare-eligible were enrolled in a Part D plan for primary coverage, with only a secondary benefit provided by Vermont programs.

Use an E1 request to determine if the member is enrolled in a Part D plan. If the member is enrolled in a Part D Plan, the E1 response will identify where to send the primary payment request as well as the processing information to submit to Medicaid for any secondary claim.

Vermont Medicaid members who have Part D coverage are eligible for a “wrap” benefit by the state. Depending on a member’s eligibility and the product that you are dispensing, this benefit may be a financial or a formulary wrap to the Part D vendor’s (PDP’s) drug benefit. Generally, coverage parallels coverage in Vermont’s Medicaid program. See the Vermont Pharmacy Programs Coverage Chart for the most current information: <http://dvha.vermont.gov/providers/2012-coverage-grid.pdf>

See the GHS Consolidated Payer Sheet for claims submittal information.

Medicare/Medicaid Eligibles without a Part D Plan:

Point-of-Sale Facilitated Enrollment (POS FE) Process & Limited Income
Newly Eligible Transition Program (LI NET):

The POS FE process was designed to ensure that individuals with both Medicare and Medicaid, “dual eligibles,” who are not enrolled in a Medicare Part D prescription drug plan, and do not have other insurance that is considered creditable coverage, are still able to obtain immediate prescription drug coverage when evidence of Medicare and Medicaid eligibility are presented at the pharmacy. Other individuals who qualify for the Part D low-income subsidy (LIS) are also able to use the POS FE process. To ensure coverage and allow for billing to a Medicare Part D Plan, follow these steps:

Step 1) Submit an E1 Transaction to the TROOP Facilitator. Note: If you are uncertain about how to submit an E1 or enhanced E1 query, please contact your software vendor.

If the E1 query returns a BIN/PCN indicating the patient has current drug plan coverage, **do NOT submit a claim to the POS FE process**. If the E1 query returns a Help Desk telephone number, this indicates the individual has been enrolled but the 4Rx data is not yet available. Please contact that plan for the proper 4Rx data.

If the E1 query does not return a BIN/PCN indicating the individual has current drug plan coverage, go to step 2.

Step 2) BIN/PCN to submit claims for the 2011 - Current Limited Income Newly Eligible Transition (LI NET) Program:

BIN: 015599

PCN: 05440000

ID Number: Medicare HIC Number
Group Number: may be left blank

More information on the LI NET program is available online at the following location:
https://www.cms.gov/LowIncSubMedicarePresCov/03_MedicareLimitedIncomeNET.asp, or by
calling the LI NET Help Desk at 1-(800)-783-1307.

Part C:

Medicare Part C consists of several Medicare Advantage Plan choices that are Medicare-approved and administered by private insurance companies.

- The Medicare Advantage Plans will replace Part A and Part B for members who choose to join. Some Medicare Advantage Plans also include drug coverage (Part D).
- For those plans that do not include Part D drug coverage, the member will need to have a separate Part D Plan in order to receive a pharmacy benefit.

When a beneficiary is covered by both Medicare B and D, drug claims must be processed by the appropriate insurer prior to submitting any balances to GHS. DVHA will closely monitor this process.

Payer Specifications

Payer specifications can be found below; however, to ensure full compliance please refer to the most current Payer Specifications document on the website for the Department of Vermont Health Access on the Provider Services and Claims Processing Page at: <http://dvha.vermont.gov/for-providers/vermontd0v5120211.pdf>

The Payer Specifications include details on claims submissions, host information, claims processing messages, submission clarifications, DUR information, DUR service codes, and COB messages.

BIN/PCN Numbers

| Claims for Vermont Members | |
|-----------------------------------|----------------------------|
| ANSI BIN # | 017795 |
| Processor Control # | VTPOP |
| Group # | N/A |
| Carrier | N/A |
| Provider ID # | NPI Number |
| Cardholder ID # | Vermont Medicaid ID Number |
| Prescriber ID # | Prescriber NPI Number |
| Product Code | National Drug Code (NDC) |

| Claims for Vermont Medicaid Members w/Part D Coverage | |
|--|----------------------------|
| ANSI BIN # | 017795 |
| Processor Control # | VTPARTD |
| Group # | VTMEDICAID |
| Carrier | N/A |
| Provider ID # | NPI Number |
| Cardholder ID # | Vermont Medicaid ID Number |
| Prescriber ID # | Prescriber NPI Number |
| Product Code | National Drug Code (NDC) |

Provider Reimbursement

VT uses the following price calculation methodology for all drugs and plans unless otherwise specified in separate business rules:

For Non-Compound Brand Drugs

Lower of:

AWP-14.2% + Dispensing Fee
Ingredient Cost Submitted + Dispensing Fee
U&C Charge
Gross Amount Due

For Non-Compound Generic Drugs

Lower of:

AWP-14.2% + Dispensing Fee
MAC + Dispensing Fee
FUL + Dispensing Fee
Ingredient Cost Submitted + Dispensing Fee
U&C Charge
Gross Amount Due

For Compound Brand Drugs

Lower of:

AWP-14.2% + Dispensing Fee
Ingredient Cost Submitted + Dispensing Fee
U&C Charge
Gross Amount Due

For Compound Generic Drugs

Lower of:

AWP-14.2% + Dispensing Fee
MAC + Dispensing Fee
FUL + Dispensing Fee
Ingredient Cost Submitted + Dispensing Fee
U&C Charge
Gross Amount Due

- Vermont Medicaid is the payer of last resort after other insurers.

Secondary Claims (claims when other insurance is primary)*

1. Part D: For secondary claims when the Part D plan is the primary payer, Vermont Medicaid pays the amount designated in the claims “Patient Pay” field, reduced by any copayment made by the beneficiary.
2. Non-Part D: When other insurance is the primary payer, Vermont Medicaid pays the allowed amount as determined in the above payment algorithm reduced by the primary insurance payment, reduced by any copayment made by the beneficiary.

* See Coordination of Benefits, pages 24-26

More provider information about the 340B Program can be found in the 340B Medicaid Manual, which can be found at <http://www.vtmedicaid.com/Downloads/forms/340-B%20Medicaid%20Carve%20In%20Program%20-%20FINAL.pdf>

Provider Reimbursement Schedule

The payment and Remittance Advice schedule is weekly.

Appendix A

VPharm2/VPharm3

Covered Maintenance Drug Categories

- ADD/ADHD Treatments
- Adrenergic Agents
- Alzheimer's Disease Medications
- Angina(Chest Pain) Treatments
- Anticoagulants/Blood Thinners
- Anticonvulsants/Epilepsy Treatments
- Antidepressants
- Anti-Inflammatory Agents
- Antimalarials
- Antipsychotics/Schizophrenia Treatments
- Antiretrovirals
- Anti-ulcer/Reflux Treatments
- Anxiety Treatments
- Arthritis Treatments
- Asthma/COPD Treatments
- Bipolar Treatments
- Blood Cell Stimulators
- Cancer meds
- Cholesterol-Lowering Agents
- Contraceptives (oral/systemic)
- Diabetic Therapy
- Digestive Enzymes
- Diuretics
- Electrolytes & Miscellaneous Nutrients
- Estrogens
- Folic Acid Preparations
- Gall Stone/Kidney Stone Treatments
- Heart Arrhythmia Treatments
- Heart Failure Treatments
- Hypertension Treatments
- Irritable Bowel Treatments
- Local (topical) Anesthetics
- Non-Narcotic analgesics
- Ophthalmic preparations
- Other Cardiovascular Treatments
- Other CNS Treatments
- Overactive Bladder Treatments
- Parkinson's Disease Medications
- Progesterone
- Systemic Steroids (Glucocorticoids/Mineralocorticoids)
- Testosterone Replacement Therapy
- Thyroid Preparations
- Tuberculosis (TB) Treatments
- Urinary Antibacterials

Appendix B

VPharm2/VPharm3 Non-Covered Drug Categories

Non-Coverage Based Upon General Use for the Treatment of Acute Conditions

- Antibiotics (most classes)
- Antidotes (**agents used to treat accidental poisoning or overdose**)
- Antihistamines
- Antiseptics
- Antithyroid preparations
- Antivirals
- Biologicals
- Coal tar (**tar-based skin treatments for conditions like psoriasis or flakey skin**)
- Cough & cold preparations
- Dermatologic treatments
- Diagnostic meds
- Diarrhea Medications
- Digestants
- Emollients protectives (**topical treatments for dry skin**)
- Fertility treatments
- Fungal treatments
- Hemorrhoidal preparations
- Iodine therapy (**iodine-based expectorants used to decrease mucus in various respiratory conditions**)
- Laxatives
- Medical supplies
- Multivitamins
- Muscle relaxants
- Narcotic analgesics
- Nasal preparations
- Nausea treatments
- Obesity preparations
- Otic (ear) preparations
- Parasite treatments
- Sedative/hypnotics
- Vaginal products
- Vitamins (fat-soluble)
- Vitamins (water-soluble)